

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF TENNESSEE
KNOXVILLE DIVISION

STATE OF TENNESSEE, *ex rel.*)
JOHNATHAN SKRMETTI, ATTORNEY)
GENERAL and REPORTER, and)
COMMONWEALTH OF KENTUCKY,)
ex rel. DANIEL CAMERON, ATTORNEY)
GENERAL)

Plaintiff,)

v.)

IDEAL HORIZON BENEFITS, LLC)
d/b/a SOLAR TITAN USA, et. al.)

Defendants.)

No. 3:23-cv-00046-DCLC-JEM

**SECOND STATUS REPORT AND APPLICATION OF RECEIVER FOR INTERIM
COMPENSATION AND EXPENSE REIMBURSEMENT**

Richard F. Ray, as Receiver and pursuant to the terms and provisions of the Memorandum Opinion and Order entered on February 28, 2023 [Doc. 78], files this Second Status Report and Application for Interim Compensation and expense reimbursement for services rendered from February 7, 2023 through February 28, 2023. The Receiver seeks interim compensation for time and out of pocket expenses in the amount of \$12,186.57, attorney fee time and expenses of \$12,693.75, and other professional fees and expenses totaling \$9,117.3 as itemized below.

Background and Case Status

1. Under the Court's Order of February 7, 2023 [Doc. 21] and February 28, 2023 [Doc. 78], the Court granted the motion of the Plaintiffs for a receiver and to issue a preliminary injunction. As a result, Richard F. Ray was appointed to serve as Receiver in this matter.

2. Pursuant to this order, the Receiver employed counsel and other professionals to assist him with the administration of the receivership estate and comply with the duties and responsibilities as stated in the Court's Orders.

3. The Receiver continues his investigation into the operations of Ideal Horizon Benefits LLC, d/b/a Solar Titan (hereinafter “Solar Titan”). As discussed in more detail in the Receiver’s report, he has seized control of Solar Titan’s bank accounts, records, and assets. The Receiver’s February Report is attached as Exhibit A. The receiver has a pending motion to sell assets of the company [Doc. 86], and a pending motion to transfer frozen assets to the receivership [Doc. 91] in order to fund future operations. The receiver plans on additional asset sales in the future.

4. The claims process is still ongoing. The receiver is continuing to collect claims from the Tennessee and Kentucky Attorney General’s office, the former Solar Titan website, and through direct communications with potential claimants. A preliminary analysis of the received claims is attached as part of Exhibit A.

5. Pursuant to the February 28, 2023 order, the Court directed the Receiver to file regular fee applications. Pursuant to the provisions of the Order, the Receiver is presenting his First Application for Compensation, which is supported by adequate documentation of the services rendered, requesting a total reimbursement of fees and out of pocket expenses in the amount of \$12,186.57. Such services rendered by the Receiver are set forth within the invoice for services rendered dated March 15, 2023 attached as Collective Exhibit B. In addition, the Receiver has incurred attorney’s fees from the law firm of Quist, Fitzpatrick, & Jarrard in the amount of \$12,693.75 dated March 10, 2023 as indicated in Collective Exhibit B. Finally, the Receiver has incurred additional professional fees and expenses totaling \$9,117.30 as indicated in Collective Exhibit B.

Receivership Funds

6. As of February 28, 2023, the Receiver was in possession of \$131,035.42

Relief Requested

7. Based on the amount of services provided, the skill required, and the results achieved to date, the Receiver submits that the compensation requested is justified and payment is appropriate.

WHEREFORE, the Receiver, Richard F. Ray, respectfully requests that this Court enter an Order:

1. Allowing interim compensation in the amount of \$12,186.57 to the Receiver, which represents time spent on the matter and out of pocket expenses incurred;
2. Authorizing the Receiver to use the funds presently within the receivership to satisfy the invoice for services and expenses, including reasonable and necessary attorney's fees from Quist, Fitzpatrick & Jarrard, PLLC in the amount of \$12,693.75 as set forth herein;
3. Authorizing the Receiver to Authorizing the Receiver to use the funds presently within the receivership to satisfy the invoices for services and expenses of the other professionals employed in the amount of \$9,117.3 as set forth herein;
4. Providing the Receiver such further relief as may be appropriate in these circumstances.

Respectfully submitted,

/s/ Ryan E. Jarrard

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CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing Status Report and Application for Interim Compensation have been served by operation of the Court's ECF System on or about March 15, 2023 as indicated on the electronic filing receipt. Parties may access this filing through the Court's electronic filing system.

/s/ Ryan E. Jarrard

ATTORNEY